

December 5, 2013



OFFICE OF
**INSPECTOR
GENERAL**
UNITED STATES POSTAL SERVICE

HIGHLIGHTS

The Removal and Disposal of Capital Property – Atlanta Network Distribution Center

Report Number NO-MA-14-002

BACKGROUND:

In 2009, the U.S. Postal Service began reorganizing its 21 bulk mail centers into network distribution centers (NDCs). NDCs are part of a national system consisting of 21 facilities dedicated to processing and transporting bulk mail, including Package Services, Standard Mail, and Periodicals. In 2010, the Postal Service closed the Atlanta Surface Transfer Center and moved its functions into the Atlanta, GA NDC. Surface transfer centers are mail consolidation and redistribution facilities used primarily to increase vehicle capacity and utilization.

Due to the move, 35 mail loaders formerly used by the Atlanta NDC were removed to free up floor space for surface transfer center operations. Mail loaders load and unload containers the Postal Service uses to transport mail within its facilities and throughout the country.

Our objective was to determine whether the disposal of mail loaders at the Atlanta NDC was performed under established procedures.

WHAT THE OIG FOUND:

Management did not properly dispose of 20 of the 35 mail loaders at the Atlanta NDC. This occurred because some

Atlanta NDC management and staff did not receive training on capital property disposal policies. We determined that personnel involved in disposal of this property did not document efforts to trade in the equipment to the vendor, sell the equipment, use its parts for other equipment, or recycle it prior to disposal. Instead, we found the equipment was listed as retired property in the Postal Service's accounting records with retirement classifications noted as "loss or theft," "destroyed," or "not found." Ultimately, we could not determine what became of this equipment. We made referrals to our Office of Investigations.

We estimated the Postal Service lost at least \$26,700 in scrap value for this equipment. We also determined this equipment could have been replacement parts at the Atlanta NDC or other NDCs, potentially avoiding additional costs.

WHAT THE OIG RECOMMENDED:

We recommended the vice president, Capital Metro Area, ensure Atlanta NDC officials provide training on capital equipment disposal policies.

[Link to review the entire report](#)